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Shocking lack of transparency on film payouts

It is ridiculous that the state of Michigan is sending out \$48 million of taxpayers' money to out-of-state movie companies without providing the barest of data to the public about how much each company received and how the payments were calculated and substantiated.

But that's what is happening in Michigan with the so-called tax-credit program designed to lure movie production companies to our beleaguered state.

Some \$48 million will be lifted from the Michigan treasury and sent to production companies in California and elsewhere who produced 35 mostly low-budget films in 2008. Among those was the stoner movie "High School," which was filmed in the Howell area.

For basing its filming at the mostly unused Howell Public Schools Parker Campus south of downtown Howell, the production company will receive a check of unknown size from taxpayers. The amount is a closely guarded secret, protected by a law that expressly exempts such basic information from the reaches of the Freedom of Information Act.

Let's put this in perspective. The state open records laws allow any citizen to learn the name of a woman who is raped. But we can't learn how much of our money — \$1 million, \$5 million, \$10 million? — was sent to a California moviemaker.

The size of the subsidy is determined by how much money is spent in Michigan. The rebate can be up to 42 percent. It's kept a secret because the state says the payoff is a tax credit and revealing subsidy details would be an invasion of privacy.

What a bunch of hokey. No one is asking to see the pay stubs of actors or to peer into the financial records of movie studios. But it is fair — and necessary — to know this: How much did each production claim to spend in Michigan? How were those expenditures substantiated? How much money was in turn paid back to the film company?

Perhaps the firms working in Michigan are every bit as honest and reputable as the typical Hollywood production company. Still, if the size of your check depends on how much you say you spent, shouldn't there be strict public oversight of those claims?

When seeking school board approval to use the Parker Campus, film officials proudly claimed they would spend \$6 million in the community. Later, the film's budget was estimated at \$19 million. How much did the company spend here?

Does their claim at all seem reasonable to those businesses in the community? Under current law, there is no way to know.

By sitting by idly, Michigan lawmakers are abdicating a vital oversight responsibility.

State Sen. Valde Garcia, R-Marion Township, still believes the film credits deserve a chance, but he is starting to question the lack of transparency from the film office. He should.

So, too, should the county's two new state lawmakers, Rep. Bill Rogers, R-Genoa Township, and Rep. Cindy Denby, R-Handy Township. Neither were in office when the law was passed.

Unfortunately, none of the three appears to give much urgency to the matter, essentially conceding that they, too, have trouble getting facts and figures from state administrative offices.

That's not acceptable. If it's a good program, it should easily withstand scrutiny. The Senate Fiscal Agency estimates that payouts this budget year will double to about \$99 million, a fair chunk of the state's \$1.4 billion deficit.

It would be nice to see the folks in Lansing protect us with the same fervor that they protect the filmmakers in Hollywood. Now is not the time to be starstuck.
